



Northwest Irrigation Utilities

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Sent Via Email

Thanks for the opportunity to provide written comment to BPA regarding the staff draft of the Tiered Rates Methodology (TRM). We appreciate your efforts to prepare the document and believe that customers' comments will help to improve your formal TRM initial proposal that is planned for release near the end of the month. Northwest Irrigation Utilities (NIU) is an association of 14 BPA Load Following customers with significant retail irrigation end use consumer loads tied to agriculture. NIU members also belong to Northwest Requirements Utilities, and unless otherwise noted by them individually concur with the recommendations submitted by NRU concerning the TRM. The purpose of this communication is to address Irrigation Rate Mitigation.

The members of NIU strongly support the BPA proposal for Irrigation Rate Mitigation as described on pages 62 – 63 of the Discussion Paper on Tiered Rates Methodology. We believe that the TRM rate design parameters adhere to the approach suggested by BPA in the Regional Dialogue Policy Proposal and provide an opportunity to continue irrigation support for a contractually specified amount of qualifying irrigation load for each eligible utility.

The qualification criteria allow for utilities that participated in BPA's Irrigation Rate Mitigation Product in FY 2007 – 2011 or the Summer Seasonal Product during FY 1997 – 2001 to qualify for the IRM discount. NIU is open to other utilities also qualifying that can meet other criteria BPA establishes for participation, including irrigation MWh sales or percentage of total retail load that is irrigation, where BPA is the primary or exclusive supplier of energy. We note there may be situations where utilities with significant irrigation loads have not been purchasing wholesale power from BPA under the PF rate structure upon which the SSP or IRMP were based. But these utilities like NIU members will likely be Load Following customers post 2011 purchasing under the same TRM rate structure. Any expansion of program eligibility should not impact the discount on irrigation, expressed in \$kWh, for the currently eligible participants.

Thanks for the opportunity to comment.

John D. Saven
Executive Director

CC: Members of NIU